

Progressive Education Program, Inc.**Financial Statements****For The Year Ended June 30, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date SEP 28 2011

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C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
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Arthur R. Mixon, CPA*

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Marshall W. Guldry, CPA
Alan M. Taylor, CPA
James R. Roy, CPA
Robert J. Metz, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr. CPA
Wanda F. Arcement, CPA, CVA
Kristin B. Dauzat, CPA
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Carolyn C. Anderson, CPA
Matthew E. Margaglio, CPA
Jane R. Hebert, CPA

Retired:
Conrad O. Chapman, CPA* 2006
Harry J. Clossio, CPA 2007

* A Professional Accounting Corporation

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES

183 South Beadle Rd. Lafayette, LA 70508 Phone (337) 232-4141 Fax (337) 232-8660	450 East Main Street New Iberia, LA 70560 Phone (337) 367-9204 Fax (337) 367-9208
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113 East Bridge St. Breaux Bridge, LA 70517 Phone (337) 332-4020 Fax (337) 332-2867	200 South Main Street Abbeville, LA 70510 Phone (337) 893-7944 Fax (337) 893-7946
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1234 David Dr. Ste 203 Morgan City, LA 70380 Phone (985) 384-2020 Fax (985) 384-3020	1013 Main Street Franklin, LA 70538 Phone (337) 828-0272 Fax (337) 828-0290
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408 West Cotton Street Ville Platte, LA 70586 Phone (337) 363-2792 Fax (337) 363-3049	133 East Waddil St. Marksville, LA 71351 Phone (318) 253-9252 Fax (318) 253-8681
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332 West Sixth Avenue Oberlin, LA 70655 Phone (337) 639-4737 Fax (337) 639-4568	621 Main Street Pineville, LA 71360 Phone (318) 442-4421 Fax (318) 442-9833
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WEB SITE
WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors
Progressive Education Program, Inc.
P O Box 10237
New Iberia, LA 70562-0237

We have reviewed the accompanying statement of financial position of Progressive Education Program, Inc. (a non profit organization) as of June 30, 2011 and the related statement of activities and statement of cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organizations' management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

New Iberia, Louisiana
September 15, 2011

Member of:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Member of:
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

BASIC FINANCIAL STATEMENTS

PROGRESSIVE EDUCATION PROGRAM, INC.

New Iberia, Louisiana

Statement of Financial Position

June 30, 2011

ASSETS

Current assets:

Cash and cash equivalents	\$ 29,742
Interest-bearing securities	55,687
Grants receivable	<u>29,988</u>
Total current assets	<u>115,417</u>

Property and equipment:

Equipment	108,778
Software	59,358
Less: Accumulated depreciation	<u>(156,909)</u>
Total property and equipment	<u>11,227</u>

Total assets	<u>\$ 126,644</u>
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LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 1,112
Payroll liabilities	<u>2,623</u>
Total current liabilities	3,735

Net assets:

Unrestricted	<u>122,909</u>
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Total liabilities and net assets	<u>\$ 126,644</u>
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See accompanying notes and independent accountants' review report.

PROGRESSIVE EDUCATION PROGRAM, INC.
New Iberia, Louisiana

Statement of Activities
For the Year Ended June 30, 2011

Support:	
Grants	\$ 210,965
Donations	17,433
Interest	<u>1,736</u>
Total support	<u>230,134</u>
Expenses:	
Program services -	
Depreciation	283
Graduation expense	405
Salaries	148,576
Payroll taxes	10,378
Staff development	493
Supplies	<u>7,169</u>
Total program services	<u>167,304</u>
Supporting services -	
Bank charges	55
Depreciation	297
Insurance	2,465
Maintenance/contracts	1,681
Membership dues	269
Miscellaneous	2,318
Salaries	23,950
Payroll taxes	1,743
Postage	995
Professional fees	9,846
Property services	30,784
Supplies	2,552
Taxes and licenses	5
Telephone	2,814
Utilities	<u>7,796</u>
Total supporting services	<u>87,570</u>
Total expenses	<u>254,874</u>
Decrease in unrestricted net assets	(24,740)
Net assets, beginning	<u>147,649</u>
Net assets, ending	<u>\$ 122,909</u>

See accompanying notes and independent accountants' review report.

PROGRESSIVE EDUCATION PROGRAM, INC.
New Iberia, Louisiana

Statement of Cash Flows
For the Year Ended June 30, 2011

Cash flows from operating activities:	
Change in net assets	<u>\$ (24,740)</u>
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	580
Changes in current assets and liabilities -	
Grants receivable	(24,615)
Accounts payable	(1,256)
Payroll liabilities	<u>1,352</u>
Total adjustments	<u>(23,939)</u>
Net cash used by operating activities	(48,679)
Cash flows from investing activities:	
Purchase of equipment	(9,220)
Cash flows from financing activities:	
Increase in interest-bearing securities	<u>(1,116)</u>
Net decrease in cash and cash equivalents	(59,015)
Cash and cash equivalents, beginning	<u>88,757</u>
Cash and cash equivalents, ending	<u>\$ 29,742</u>

See accompanying notes and independent accountants' review report.

Progressive Education Program, Inc.
New Iberia, Louisiana

Notes to the Financial Statements

(1) Summary of Significant Accounting Policies

A. Business Operations

Progressive Education Program, Inc. is a non-profit corporation organized solely and exclusively for educational purposes and to provide educational opportunities for the southern Louisiana region:

B. Revenue and Expense Recognition

The Organization recognizes revenues received from federal, state, and local grant agreements in the period in which the expenditure for the applicable grant program is incurred.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Accounting Standards Codification No. 958-205-20, *Not-for-Profit Entities – Presentation of Financial Statements - Glossary*. Under FASB ASC 958-205-20, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Organization does not use fund accounting.

E. Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

F. Receivables

The Organization considers amounts recorded as receivables to be fully collectable. Accordingly, no allowance for doubtful accounts is required.

Progressive Education Program, Inc.
New Iberia, Louisiana

Notes to the Financial Statements (Continued)

G. Concentration of Credit Risk

The Federal Deposit Insurance Corporation (FDIC) provides insurance coverage up to \$250,000 effective October 3, 2008 through December 31, 2013 for cash on deposit at each institution. In the event of a failure of the institution, the FDIC is not obligated to pay uninsured deposits. The Organization balance, at times, may exceed federally insured limits. At June 30, 2011, the Organization had no uninsured balance.

H. Property and Equipment

Purchased property and equipment necessary for the Organization to perform daily services, are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets currently at 5 years. Depreciation expense amounted to \$580 for the year ended June 30, 2011. All idle assets are written off when they are classified as idle and have no further use to the Organization.

I. Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

(2) Grants Receivable

Adult Education - EL/Civics Education	\$ 3,597
Adult Education - State Grant Program	18,491
Adult Education - State Funds	<u>7,900</u>
	<u>\$ 29,988</u>

Progressive Education Program, Inc.
New Iberia, Louisiana

Notes to the Financial Statements (Continued)

(3) Federal Financial Assistance

The Organization has been awarded several grant contracts through the State of Louisiana, Department of Education and the Department of Health and Human Services. These programs are made up of federal and state funds. Total federal funds expended under these programs amounted to the following:

Adult Education - EL/Civics Education	<u>\$ 17,347</u>
Adult Education - State Grant Funds	<u>\$ 86,804</u>
Strategies to Empower People - STEP Program	<u>\$ 3,764</u>

(4) Interest-bearing Securities

Progressive Educational Program Inc. has money invested in Institutional Investors Income Fund (the Fund or IIIF). The Institutional Investors Fund is a not-for-profit, tax-exempt, title holding corporation 501(C) (2) organized under the laws of the State of Missouri.

All investors of the Fund are communities, institutions, or organizations exempt from federal income tax under Section 501(a) of the Internal Revenue Code. The Fund was established to provide its investors a convenient means for investment of funds.

For the year ended June 30, 2011, the Fund has invested solely in interest-bearing securities. Interest-bearing securities are shown at cost which approximates fair value.

(5) Board Compensation

For the year ending June 30, 2011, the board members did not receive any compensation.

(6) Subsequent Events

The Organization's management has evaluated subsequent events through September 15, 2011, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

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 Lafayette, LA 70508 New Iberia, LA 70560
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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
 Progressive Education Program, Inc.
 P O Box 10237
 New Iberia, LA 70562-0237

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Progressive Education Program, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Progressive Education Program, Inc.'s compliance with certain laws and regulations during the year ended June 30, 2011 included in the accompanying *Louisiana Attestation Questionnaire*. Management of Progressive Education Program, Inc. is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

- (1) Determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Federal, State, and Local Grant Name	Grant Year	CFDA No.	Amount
Adult Education - Federal	7/1/10 - 9/30/11	84.002A	\$ 86,804
TANF	7/1/10 - 9/30/10	93.558	7,144
EL/Civics Education	7/1/10 - 9/30/11	84.002A	17,347
Adult Education - State Grant Program	7/1/10 - 6/30/11	N/A	51,502
United Way	2010 - 2011	N/A	10,750
United Way	2011 - 2012	N/A	12,500
Our Lady of Mount Carmel Grant	2010 - 2011	N/A	1,500
New Iberia City-Parish Government	2011	N/A	3,000
School Sisters of Notre Dame	2010 -2011	N/A	9,996
Iberia Parish School Board	2010 - 2011	N/A	9,222
Iberia Parish Mayor's Office	2010 - 2011	N/A	1,200
Total Expenditures			<u>\$ 210,965</u>

- (2) For each federal, state, and local award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

- (3) For the items selected in procedure 2, we traced the 30 disbursements to supporting documentation as to proper amount and payee.

There were no exceptions noted.

- (4) For the items selected in procedure 2, we determined if the 30 disbursements were properly coded to the correct fund and general ledger account.

There were no exceptions noted.

- (5) For the items selected in procedure 2, we determined whether the 30 disbursements received approval from proper authorities.

There were no exceptions noted.

- (6) For the items selected in procedure 2: For federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in the *Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed. All selected disbursements complied with the allowability requirements and the service rendered met the goals of the program.

Eligibility

We reviewed the previously listed disbursements for eligibility requirements. All selected disbursements complied with the eligibility requirements and the individuals who received the service earned an income that was within the program guidelines.

Reporting

We reviewed the previously listed disbursements for reporting requirements. All the selected disbursements complied with the reporting requirements and could be traced to the *Request for Reimbursement Reports*.

- (7) For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the agency's financial records to determine whether the amounts agree.

The federal programs selected were not closed out during the period of our review.

Open Meetings

- (8) We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

Progressive Education Program, Inc. is only required to post a notice of each meeting and the accompanying agenda on the door of the office building. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

Budget

- (9) For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Progressive Education Program, Inc. provided comprehensive budgets to the applicable grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

Prior Comments and Recommendations

- (10) We reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

For the year ended June 30, 2010, it was not required that Progressive Education Program, Inc. engage in an agreed-upon procedure engagement, however, there was a finding for failure to complete and submit the audit report within six months of the fiscal year end as required by State law. The Organization will meet the deadline for future reports.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Progressive Education Program, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

New Iberia, Louisiana
September 15, 2011

LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Quasi-Public Agencies)

9-15-11 (Date Transmitted)

Kolder, Champagne, Slaven & Company, LLC
450 East Main Street
New Iberia, LA 70560

(Auditors)

In connection with your audit of our financial statements as of June 30, 2011
and for the period then ended (period
of audit) for the purpose of expressing an opinion as to the fair presentation of our financial
statements in accordance with accounting principles generally accepted in the United States of
America, to assess our system of internal control as a part of your audit, and to review our
compliance with applicable laws and regulations, we confirm, to the best of our knowledge and
belief, the following representations. These representations are based on the information
available to us as of 8/24/11 (date completed/date of the representations).

PART I. AGENCY PROFILE

1. Name and address of the organization.
Progressive Education Program, Inc.
1009 Ember Drive NEW IBERIA 70560
2. List names, addresses, and telephone numbers of entity officials. [Include elected/appointed members of the governing board, chief executive and fiscal officer, and legal counsel].
Mr. Jackie Maerz, P.O. Box 38, Chatawa, MS 39632 (601) 783-3494 - Secretary
Ms. Angela Moore, 1602 Iberia St. New Iberia 70560 (337) 365-2341 - Treasurer
Jack Baker, 13 Steamboat Bend, New Iberia 70563 (337) 364-0026 - President
3. Period of time covered by this questionnaire.
7-1-10 through 6-30-11
4. The entity has been organized under the following provisions of the Louisiana Revised Statute(s) (R.S.) and, if applicable, local resolutions/ordinances.
Non-Profit
5. Briefly describe the public services provided:
Adult Education
6. Expiration date of current elected/appointed officials' terms.
December 2011

Part II. Federal, State, and Local Awards

7. We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

8. All transactions relating to federal grants have been properly recorded within our accounting records and reported to the appropriate federal grantor officials.

Yes ☒ No ☐

9. All transactions relating to state grants have been properly recorded within our accounting records and reported to the state grantor officials.

Yes ☒ No ☐

10. All transactions relating to local grants have been properly recorded within our accounting records and reported to the appropriate local grantor officials.

Yes ☒ No ☐

11. The reports filed with federal agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

12. The reports filed with state agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

13. The reports filed with local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

14. We have complied with all applicable compliance requirements of all federal programs we administer, to include matters contained in the Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and matters contained in the grant awards.

Yes ☒ No ☐

15. We have complied with all applicable specific requirements of all state programs we administer, to include matters contained in the grant awards.

Yes ☒ No ☐

16. We have complied with all applicable specific requirements of all local programs we administer, to include matters contained in the grant awards.

Yes ☒ No ☐

17. We have provided you with all communications from grantors concerning noncompliance with or deficiencies in administering grant programs.

Yes ☒ No ☐

Part III. Public Records

18. We are familiar with the Public Records Act and have made available to the public those records as required by R.S. 44:33.

Yes ☒ No ☐

Part IV. Open Meetings

19. Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:4.1 through 42:13 (the open meetings law).

Yes ☒ No ☐

Part V. Budget

20. For each federal grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes ☒ No ☐

21. For each grant received from the state, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose, duration, specific goals and objectives, and measures of performance.

Yes ☒ No ☐

22. For each local grant, we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration.

Yes ☒ No ☐

The previous responses have been made to the best of our belief and knowledge.

L. Anita Garza Secretary 8-18-11 Date
Angela Sanyal Moore Treasurer 8-29-11 Date
Jason J. Baker President 8/29/11 Date

PROGRESSIVE EDUCATION PROGRAM, INC.

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
For the Year Ended June 30, 2011

Fiscal Year		Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Finding Initially Occurred	Ref. No.					
CURRENT YEAR (6/30/11)						
No findings noted.						
PRIOR YEAR (6/30/10)						
<u>Compliance:</u>						
10-1 (C)	2010	State law requires the Organization's audit reports to be completed and submitted within six months of the fiscal year end. The Organization's audit report was not complete until after the deadline imposed by State law.	No	The audit report was not completed this year within the required six month period due to extenuating circumstances. The Organization will meet that deadline and does not anticipate any further delays in future reports.	Sister Barbara Kraus, Director	Immediately